GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:1171
ANSWERED ON:02.05.2016
Steel Plants
Swami Maharaj Dr. Sakshi

Will the Minister of STEEL be pleased to state:

(a) the number of the public and private sector steel plants being run in various parts of the country including Uttar Pradesh at present, State/UT-wise;
(b) the estimated number of new steel plants proposed to be set up in the next three years, State/UT-wise;
(c) the details of the physical and financial targets set and achieved by these plants during each of the last three years and current year; and
(d) the steps taken by the Government to encourage investment and production in Steel Sector?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF (SHRI VISHNU DEO SAI)
STEEL AND MINES

(a) The number of the public and private sector steel plants being run in various parts of the country at present State/UT-wise, including Uttar Pradesh are given in the Annexure.

(b)&(c): Steel is a de-regulated sector and the role of the Government is limited to that of a facilitator. The decisions to construct new steel plants are essentially taken by the respective companies, based on commercial considerations. However, a new integrated steel plant is being set up by NMDC Limited at Nagarnar, Chhattisgarh. The Government does not set physical and financial targets for the private sector. However, performance evaluation of public sector steel companies is done based on MOU targets.

(d) The Government has taken the following steps to encourage investment and production in Steel Sector:-

(i) In March, 2015, government notified the Coal Mines (Special Provisions) Amendment Act, 2015 to streamline coal block allocations to ensure raw material security to various sectors including steel.
(ii) In March, 2015, Government also notified Mines and Minerals (Development and Regulation) Amendment Act, 2015 to streamline grant of Mining Leases in order to maintain sufficient availability of raw materials for the various sectors including steel sector.
(iii) For ensuring raw material availability, the Government had amended MMDR Act, 2015 & rules there under which provides the provision for allocation of iron ore to 'specified end use' by the means of competitive bidding through e-auction.
(iv) For reducing the stress in the steel sector, RBI has extended 5:25 scheme in July, 2015, whereby longer amortization period for loans to projects in infrastructure and core industries sectors, say 25 years, based on the economic life or concession period of the project, with periodic re-financing, say every 5 years, is allowed.
(v) Government has issued Steel & Steel Products (Quality Control) Orders in March, 2012, and in December, 2015 to ensure that only quality steel is produced/imported in India.

****